

HALPERIN BATTAGLIA BENZIJA, LLP

Alan D. Halperin, Esq.
Donna H. Lieberman, Esq.
40 Wall Street, 37th Floor
New York, NY 10005
Telephone: (212) 765-9100
Email: ahalperin@halperinlaw.net
Email: dlieberman@halperinlaw.net

Objection Date: February 11, 2019
Time: 4:00 p.m.

And

SHUMAKER, LOOP & KENDRICK, LLP

David J. Coyle, Esq.
1000 Jackson Street
Toledo, OH 43604
Telephone: (419) 241-9000
Email: dcoyle@slk-law.com

Co-counsel to Kellermeyer Bergensons Services, LLC

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	X
	:	
SEARS HOLDINGS CORPORATION, et al.,	:	Chapter 11
	:	
Debtors¹.	:	Case No. 18-23538 (RDD)
	:	
	:	(Jointly Administered)
	X	

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); Max Serv, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (19870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC ,Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

**KELLERMEYER BERGENSONS SERVICES, LLC'S STATEMENT
AND RESERVATION OF RIGHTS AS TO DEBTORS' SECOND SUPPLEMENTAL
NOTICE OF CURE COSTS AND POTENTIAL ASSUMPTION AND ASSIGNMENT OF
EXECUTORY CONTRACTS AND UNEXPIRED LEASES
IN CONNECTION WITH GLOBAL SALE TRANSACTION**

Kellermeyer Bergensons Services, LLC ("KBS"), by and through its undersigned attorneys, hereby submits this statement and reservation of rights in connection with the Debtors' *Second Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with the Global Sale Transaction* ("Second Cure Notice") [Doc. No. 2314].

PRELIMINARY STATEMENT

1. KBS and Sears, Roebuck and Co., Sears Operations, LLC, K-mart Corporation, and Kmart Operations LLC are parties to a certain Housekeeping Services Master Service Agreement made as of February 24, 2017, but effective March 1, 2017 (the agreement, including any amendments thereto being the "Agreement"). This contract was listed on the Debtors' original notice of cure costs, which appears on the Court's docket as D.N. 1731.

2. KBS filed a limited objection and reservation of rights with respect to the original notice of cure costs, which appears on the docket as D.N. 2196 (the "Objection"). As stated therein, the Agreement sets forth in the second "Whereas" clause that it "replaces and supersedes" five specific prior agreements between the parties, and is the only existing contract between KBS and any of the Debtors.

3. The Second Cure Notice purports to identify another contract between KBS and the Debtors. That "contract" appears as item 196 on the exhibit to the Second Cure Notice. KBS has no record of any such contract. It is therefore unclear to KBS what the Second Cure Notice refers to or what the Debtors are seeking authority to assume and assign.

4. KBS objects to the assumption and assignment of any contract between it and any of the Debtors (other than the Agreement) because no such contracts existed as of the Petition Date or exist as of the date hereof. The Agreement and only the Agreement governs the relationship between the Debtors and KBS. KBS reserves all rights with respect to potential assumption and assignment of the Agreement, as set forth in its Objection, which is incorporated herein by reference.

Dated: February 11, 2019

Respectfully submitted,

HALPERIN BATTAGLIA BENZIJA, LLP

By: /s/ Donna H. Lieberman
Alan D. Halperin, Esq.
Donna H. Lieberman, Esq.
40 Wall Street, 37th Floor
New York, NY 10005
Telephone: (212) 765-9100
Email: ahalperin@halperinlaw.net
Email: dlieberman@halperinlaw.net

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Co-counsel to Kellermeyer Bergensons
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